

On motion of Senator Parkhouse and by unanimous consent the resolution was considered immediately and was adopted.

#### House Concurrent Resolution 5 on Second Reading

On motion of Senator Lane and by unanimous consent, the regular order of business was suspended to take up for consideration at this time the following resolution:

H. C. R. No. 5, Requesting major oil companies to consider economy and loss of income in cutting prices of crude oil in East Texas.

The resolution was read and was adopted.

#### Record of Vote

Senator Rogers asked to be recorded as voting "Nay" on the adoption of the above resolution.

#### Senate Bill 4 on First Reading

By unanimous consent the following bill was introduced, read first time and referred to the committee indicated:

By Senators Owen and Willis:

S. B. No. 4, A bill to be entitled "An Act relating to the licensing and regulation of lenders engaged in the businesses of lending in amounts of less than \$100 and \$100 to \$3,000 inclusive; repealing Section 14, Article 7047, Revised Civil Statutes of Texas, 1925, and Section 15, Article 7047, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 212, Acts of the 42nd Legislature, Regular Session, 1931, and Chapter 17, Acts of the 40th Legislature, First Called Session, 1927, as last amended by Chapter 195, Acts of the 49th Legislature, Regular Session, 1945; providing an effective date; providing for severability; and declaring an emergency."

To the Committee on Banking.

#### Adjournment

On motion of Senator Hardeman the Senate at 11:00 o'clock a.m. adjourned until 10:30 o'clock a.m. tomorrow.

#### THIRD DAY

(Friday, July 24, 1959)

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following senators were present:

Aikin	Moffett
Bradshaw	Owen
Colson	Parkhouse
Crump	Phillips
Gonzalez	Reagan
Hardeman	Roberts
Herring	Rogers
Kazen	Smith
Krueger	Willis
Lane	Wood
Martin	

#### Absent—Excused

Baker	Hudson
Dies	Moore
Fly	Ratliff
Fuller	Secrest
Hazlewood	Weinert

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation as follows:

O God, Our Father, in Thy holy Presence, we would bow our heads and open our hearts to Thy spirit; whom Thou hast said would guide us in truth, comfort us in our sorrows, and save us from our sins. May we be kind, tender-hearted, and forgiving one another, as Thou hast forgiven us. For Christ's sake. Amen.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

#### Leaves of Absence

Senator Dies was granted leave of absence for today on account of illness in the family on motion of Senator Herring.

Senator Secrest was granted leave of absence for today on account of important business on motion of Senator Herring.

Senator Fly was granted leave of absence for today on account of important business on motion of Senator Hardeman.

Senator Weinert was granted leave of absence for today on account of important business on motion of Senator Hardeman.

Senator Hazlewood was granted leave of absence for today on account

of important business on motion of Senator Lane.

Senator Ratliff was granted leave of absence for today on account of important business on motion of Senator Aikin.

Senator Baker was granted leave of absence for today on account of important business on motion of Senator Phillips.

Senator Hudson was granted leave of absence today on account of important business on motion of Senator Owen.

Senator Fuller was granted leave of absence for today on account of important business on motion of Senator Parkhouse.

Senator Moore was granted leave of absence for today on account of important business on motion of Senator Crump.

#### Message from the House

Hall of the House of Representatives,  
Austin, Texas,  
July 24, 1959.

Hon. Ben Ramsey, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. C. R. No. 7, Congratulating Joe Dan Penn, Hudson High School Senior in recognition of his outstanding FFA achievements.

Respectfully submitted,

DOROTHY HALLMAN,  
Chief Clerk, House of Representatives

#### Resolutions Signed

The President signed in the presence of the Senate after the caption had been read, the following enrolled resolutions:

H. C. R. No. 4, Authorizing Building Commission and other State agencies to make necessary arrangements for transfer of cornerstone from the original St. Martin's Lutheran Church Building at 106 E. 13th St. to site of the new building at 606 W. 15th St.

H. C. R. No. 5, Requesting major oil companies to consider economy and loss of income in cutting prices of crude oil in East Texas.

#### Senate Resolution 12

Senator Aikin offered the following resolution:

Whereas, We are honored today to have as visitors in the Senate, Judge C. V. Flanary and Commissioner James Peace; and

Whereas, We desire to welcome these distinguished visitors to the Capitol Building and Capital City; now, therefore, be it

Resolved, That their presence be recognized by the Senate of Texas and that they be extended the official welcome of the Senate.

The resolution was read and was adopted.

#### House Concurrent Resolution 7 on Second Reading

The President laid before the Senate on its second reading the following resolution:

H. C. R. No. 7, Congratulating Joe Dan Penn, Hudson High School Senior, in recognition of his outstanding FFA achievements.

The resolution was read.

On motion of Senator Colson and by unanimous consent the resolution was considered immediately and was adopted.

#### Supplemental Statement of Senator Hardeman Relative to H. B. 18 Requested to be Read and Ordered Printed in the Journal

Senator Owen moved that Senator Hardeman be requested to supplement his statement to include the entire history of the taxation bills in the Senate at the Second Called Session and that such supplemental statement be printed in the Journal.

The motion prevailed.

#### Supplemental Statement by Senator Hardeman Relative to House Bill 18

My remarks, above printed, were made shortly after the Senate convened at 10:30 o'clock a.m. on July 15th, in support of the Lane motion to grant the request of the House for appointment of a Conference Committee on H. B. No. 18—the taxation bill then pending—which motion was adopted. Thereupon the Senate conferees were named and a meeting

with the House conferees was held in a very short while. Intermittently, throughout the rest of the day and part of the night, the conferees met and finally agreed with three House members and all Senate conferees signing a report providing adequate revenue for the State's financial requirements provided the report should be adopted by a two-thirds vote of the elected members in each House.

Physical preparation of the bill or report consumed the greater portion of the night by the loyal staff of the Legislative Council, Mr. Kimbro of the Comptroller's office and representatives of the Attorney General's department, as well as some of the secretaries in various Senator's offices who gladly assisted in the typing and assembling of the 158 page bill—for a total of 39,500 pages—to provide the required copies for distribution.

Upon its convening the following morning at 10:00 o'clock the Senate adopted this conference report by a vote of 24 to 6—once again demonstrating its desire to resolve the State's fiscal problem for the fourth time.

The House of Representatives, as on three prior occasions, rejected the report.

About mid-afternoon of the last day of the Second Called Session the House requested the appointment of another Conference Committee, to which request the Senate promptly acceded. This committee met immediately and after considerable discussion—all of which was amicable—it was unanimously agreed that shortage of time would preclude the preparation and assembly of a report. Consequently and pursuant to mutual agreement the Senator from Guadalupe—Chairman of the Senate Conferees—reported to the Senate at 5:00 o'clock p.m., of July 16th that although the prospects were bright if the committee had sufficient time to complete its negotiations, but the time was too short (less than 7 hours remaining) to complete the physical work necessary to prepare the bill for submission before midnight adjournment and requested the discharge of the Conference Committee.

That motion prevailed and the Senate stood at ease for the next three hours until 8:00 o'clock that evening. Shortly thereafter another message was received from the House requesting the appointment of, yet, another, Conference Committee on H. B. 18.

As formerly, the Senate willingly granted this request and the conferees immediately met despite the "deadline" less than three hours hence. (Incidentally, the House conferees were the same as those who agreed on a report on July 9 and all of whom signed it and which, although providing for sufficient funds for the financial crisis, was rejected by the House, despite its adoption by the Senate by the vote of 24 to 7.)

Well, this group, with one or two changes unanimously submitted a last report which the Senate adopted by a vote of 21 to 9—thus making it the fifth bill passed by the Senate in response to its duty to the people of Texas.

Let it not be soon forgotten, despite false rumors and reports to the contrary, that not a single bill passed by the House in any session of the 56th Legislature and received in the Senate provided the necessary anticipated revenue to resolve the State's fiscal needs, while each of the bills, without exception, passed by the Senate would have raised the necessary funds, assuming the House passed the same by the Constitutional vote required to make it effective immediately.

Also it well should be borne in mind, as a statement of fact, that the House itself, (H. J. p. 314-320, 2nd C. S., June 30, 1959) rejected the inclusion of the so-called Severance Beneficiary Tax on natural gas and in fact, H. B. 18 contained no tax whatsoever on natural gas.

Be it remembered that the Senate conferees insisted at each conference on an increase in the constitutional production tax on natural gas of 1%—from the present rate of 7% to 8% of market value—actually being about a 14% increase.

Mr. President, and Members of the Senate, I believe that the foregoing statements correctly reflect the record as made by this Body in connection with the tax bills which have been considered.

Certainly, the record clearly points out that the Senate has ever been willing to work with the conferees of the House, regardless of whom they may have been, and with all respect, in an effort to provide adequate funds for the operation of the State government and to bring about a quick adjournment of the Legislative Sessions.

Senator Hardeman read the statement and it will be printed in the

Permanent Senate Journal following the previous statement made by him relative to H. B. No. 18.

#### **Report of Standing Committee**

Senator Lane by unanimous consent submitted the following report:

Austin Texas,  
July 24, 1959.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee of Jurisprudence, to whom was referred S. C. R. No. 1, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

LANE, Chairman.

#### **Senate Concurrent Resolution 1 Ordered Not Printed**

On motion of Senator Martin and by unanimous consent S. C. R. No. 1 was ordered not printed.

#### **Senate Concurrent Resolution 1 On Second Reading**

On motion of Senator Martin and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its Second Reading the following resolution:

S. C. R. No. 1, Granting the heirs of J. P. Orr, deceased, permission to

sue the State of Texas and the Texas Highway Department.

The resolution was read and was adopted.

#### **Senate Resolution 13**

Senator Herring offered the following resolution:

Whereas, We are honored today to have as visitors in the Senate, Carmen Baxter and Lee Stokes from San Antonio; and

Whereas, We desire to welcome these distinguished visitors to the Capitol Building and Capital City; now, therefore, be it

Resolved, That their presence be recognized by the Senate of Texas and that they be extended the official welcome of the Senate.

HERRING  
GONZALEZ

The resolution was read and was adopted.

#### **Adjournment**

On motion of Senator Martin the Senate at 10:56 o'clock a.m. adjourned until 10:30 o'clock a.m. on Monday, July 27, 1959.

#### **Record of Votes**

Senators Krueger and Colson asked to be recorded as voting "nay" on the motion to adjourn.

In Memory of

**George W. Terry**

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Senator Aikin offered the following resolution:

(Senate Resolution 10)

Whereas, God in His infinite wisdom, has called from these earthly labors, George W. Terry; and

Whereas, Mr. Terry was an outstanding citizen of his community and state, having been a successful businessman and farmer and a highly capable public official, serving as Commissioner of Precinct 1 in Lamar County for many years; and

Whereas, Mr. Terry was a man of unquestioned integrity and was loved and respected by his many, many friends; and

Whereas, He had lived a long and useful life and had certainly made a contribution to his community and his state, making it a better place in which to live; and

Whereas, The Senate is desirous of paying tribute to the memory of this outstanding citizen and good man; Now, therefore, be it

Resolved, That this resolution be adopted by a rising vote and that copies be mailed to the members of his family; to his daughter, Mrs. D. H. Harvey, with whom he had made his home for many years, and his son, Clark Terry, and that when the Senate adjourns today it do so out of respect to the memory of George W. Terry.

The resolution was read and was adopted by a rising vote of the Senate.

**In Memory of**  
**Frank Sweeney Phillips**

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Senator Hardeman offered the following resolution:

(Senate Resolution 11)

Whereas, On July 19, 1959, Frank Sweeney Phillips of Houston, Texas was called to his reward; and

Whereas, Mr. Phillips was a native born Texan, having been born in Angleton, Texas in 1906; and

Whereas, Following his youth he became engaged in the oil field work until his passing; and

Whereas, He was a member of the Methodist Church, and engaged in many civic endeavors in behalf of his community and State; and

Whereas, He is survived by his wife, Mrs. Stella Durham Phillips, and his brother, Honorable Jimmy Phillips, a member of the Senate of Texas; Now, therefore, be it

Resolved by the Senate of Texas that it does hereby express its sincere sympathy to the surviving wife and brother of Mr. Phillips, and that copies of this resolution be forwarded to them under the seal of the Senate of the State of Texas; and be it further

Resolved, That when the Senate adjourns today, it do so in his memory and that a page in the permanent Journal of the Senate be devoted to the recording of this resolution.

**HARDEMAN  
BAKER**

Signed—Ben Ramsey, Lieutenant Governor; Aikin, Bradshaw, Colson, Crump, Dies, Fly, Fuller, Gonzalez, Hazlewood, Herring, Hudson, Kazen, Krueger, Lane, Martin, Moffett, Moore, Owen Parkhouse, Ratliff, Reagan, Roberts, Rogers, Secrest, Smith, Weinert, Willis, Wood.

The resolution was read.

On motion of Senator Aikin and by unanimous consent the names of the Lieutenant Governor and the Senators were added to the resolution as signers thereof.

The resolution was then adopted by a rising vote of the Senate.